

23 July 2012

Postal Regulatory Commission
901 New York Ave NW, Suite 200
Washington, DC 20268

Reference: PRC Docket #MC2012-26

Dear Commissioners,

We are the franchisee/owners of a The UPS Store in Jacksonville, Florida, employing 4 people from our community (ourselves plus 2 associates). We are writing to ask that you disallow the United States Post Office's "enhanced" serviced to Post Office Box customers; specifically the Real Mail Notification, the Street Addressing, and the Private Carrier Package Delivery.

In its "RESPONSE OF THE UNITED STATES POSTAL SERVICE TO ORDER NO. 1366 ", the United States Postal Service ("Postal Service") dismisses the arguments of the complainants as just so much grouching and fear of competition, stating "Complainants should not be allowed to unfairly protect their market position by using the specter of competition as both a shield and a sword." We are filing our comments to object to this statement and the actions of the Postal Service with respect to the manner of introduction of the services in question.

As independent owners of a The UPS Store franchise, we are a small business, and we are in no way afraid of competition. Along with our fellow mail and parcel centers, we face friendly ~ and sometimes not-so-friendly ~ competition on a daily basis. We continually strive to offer better service, better prices, and bigger smiles than our competitors. We literally "go the extra mile" when we need to for the win. But we draw the line at predatory behavior. Not only is it unethical, but those business owners who practice such behavior are soon drummed out of business or find themselves in court answering for their actions.

We have been partners with the Postal Service throughout our business ownership. We are both Approved Shippers for the Postal Service as well as a Commercial Mail Receiving Agency (CMRA). We rely on this partnership as an important facet of our business, and have always maintained a solid relationship with our local Postal Service partners.

Because we consider our relationship with the Postal Service so valuable, we are very pained to have come to the conclusion that the recent actions of the Postal Service in its introduction of these new services has been predatory. The introduction of these new services - and they are new services - doesn't just provide new services in an attempt to make their Competitive P.O. Box Service comparable to the services provided by a typical CMRA (to which we do not object). The concern is that the introduction of these new services goes further, by introducing services specifically **denied** to CMRA

operators. As regulators of our CMRA operations, the Postal Service has just re-written the rules to tip the scales in their own favor.

The Postal Service seems to want to have it both ways: in its "Motion to Dismiss" it states that these new services are enhancements that are so minor as to not require a filing (c.f. PRC Docket No. C2012-1, Motion of the United States Postal Service to Dismiss Complaint ("Motion to Dismiss") (April 4, 2012)), and yet these services are significant enough that they are not automatically included as part of the service agreement for the Competitive P.O. Box service (as stated in footnote #4 of the response, "The service enhancements in question are only available to Competitive P.O. Box Service customers who affirmatively sign up for them. Merely paying for a Competitive P.O. Box does not automatically entitle the customer to utilize Real Mail Notification or Street Addressing/Private Carrier Package Delivery. Rather, each customer must consent to the terms in the customer agreement (Attachment C) before they can utilize these enhancements. ").

Let us set aside for the moment that the term "minor" is not quantifiable. But keep that thought in mind, because it is precisely the source of many concerns.

In its response statement, the Postal Service states that a product is defined as "a postal service with a distinct cost or market characteristic for which a rate or rates are, or may reasonably be, applied." The Postal Service then states these new services are not to be considered new products because they are minor "technological developments" and they not charging extra for them. But the new services in question must be specifically requested by addendum to the mailbox contract. Just because the post office has decided not to charge extra for these services at this time does not mean that they are not new products (and one would presume that the Postal Service has not precluded the idea of ever charging extra for these services).

Let us look at the 3 new services in question

Real Mail Notification. Although anecdotally this service was provided informally at local Postal Service branches (e.g., if a customer called in and asked if mail had been delivered, the employees might provide the information in response), notification services have never been offered formally or systematically, nor scheduled by agreement in advance. That makes them a new and very unique set of services rather than a minor "technological development of an earlier, informal option." We want to clarify that in general we are not opposed to this offering nor are we "afraid" of competing with it... we are merely disappointed in the manner in which it was introduced and concerned about the precedent it will set if allowed to proceed without following required protocols. What future "technological developments" can be added surreptitiously? If mailbox customers do not already have an email address, would it not be just another minor "technological development" to offer them an email address? And then, what if the mailbox customer represents a business organization who wants the email address to be their own domain, would it not be just another minor "technological development" to offer them a domain and web hosting?

Street Addressing. Is it really a "minor" modification to remove the requirement for the use of the words "P.O. Box" when sending mail to a P.O. Box, an addressing format that has been required since the introduction of the service? Our primary objection to this enhancement, aside from the manner of introduction as already discussed, is that this new street address designation will be designated as "residence" - while addresses at CMRA locations are designated "business." The designation of "residence" is one of the more predatory actions, as it provides the Postal Service with the ability to offer services denied to CMRA locations. For example, the designation of "business" makes our CMRA customers ineligible for many services, such as ability to file a change-of-address order, free forwarding of first-class (& above) mail based on that change-of-address order. These benefits will be granted to customers who sign up for these new services under the Competitive P.O. Box Service. Customers who receive mail at CMRA locations also must adhere to addressing standards that are quite strict lest their mail not be delivered; this new "flexible" addressing provided for the street addressing of P.O. Boxes gives preference to P.O. Box holders and their mailing formats and indeed encourages lazy addressing.

Furthermore, and as a practical concern, as an approved shipper for both the Postal Service and United Parcel Service (UPS), since the street addressing is not automatic, but rather an option that must be affirmatively requested, how will we know whether or not we can use the street designation? If we use the street addressing and the P.O. Box customer has not affirmatively signed the agreement, does that mean the package will be returned as undeliverable? Or will the mailbox customer be contacted and asked if he/she wants to sign the agreement addendum? (And is that another minor "technological development"?). Another concern is delivery of UPS packages. Because the street address will be considered as a "residential" address, UPS will not require a signature. This means the driver has the option to leave the package at the door without waiting for anyone to receive it. This presents the opportunity for foul play, loss, or theft of the package. Another scenario is COD packages... will the Postal Service handle those, and how will we as shippers know that? All of these scenarios - returned package or delayed package or stolen package - will result in an unhappy experience for our customers (and the Postal Service customers as well).

Private Carrier Package Delivery. We agree that in general this enhancement seems to at least have been filed as a new product partially in accordance with prior precedent and requirements. We do still have the practical concerns discussed above, and we also have the same concern that this "service" will be allowed to augmented via minor "technological developments" if not monitored and appreciated for the significant offering that it is. If the package is COD, would it be a minor "technological development" to offer the mailbox customer the ability to purchase the COD and add to their account? If the package is a freight shipment, would it be a minor "technological development" to offer the mailbox customer a freight bay rental option? If the package is from a private courier, would it be a minor "technological development" to offer this service to anyone dropping off a package?

As you can see, we do not object to competition, we merely object to the Postal Service offering products and services that it either 1) does not properly submit through the regulatory process, and 2) denies small businesses the opportunity to offer.

Thank you for your kind attention. Please do not hesitate to contact us if you have any questions or concerns.

Sincerely,
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